

**GOVERNMENT OF INDIA  
COMMUNICATIONS  
LOK SABHA**

UNSTARRED QUESTION NO:3674

ANSWERED ON:07.12.2016

Verification of Subscribers

Puttaraju Shri C.S.

**Will the Minister of COMMUNICATIONS be pleased to state:**

- (a) whether over five crore cell phone users in the country have not been verified as per the KYC norms which is posing a serious threat to the security of the nation;
- (b) if so, the number of unverified cell phone users in the country, State-wise;
- (c) the preventive steps being taken by the Government to curb the alarming number of unverified users in the country;
- (d) the action taken by imposing penalties on erring telecom service providers; and
- (e) the time limit by which the verification of all the cell phone users, as per KYC norms, is likely to be completed?

**Answer**

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &  
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS  
(SHRI MANOJ SINHA)

(a) to (e) Madam, as per the instructions issued by Department of Telecom (DoT), all the Telecom Service Providers (TSPs) are mandated to verify all the customers as per prescribed KYC norms before enrolling them.

In order to ensure adherence of these instructions by all the TSPs in carrying out the verification as per prescribed KYC norms, the Telecom Enforcement, Resource & Monitoring (TERM) Cells carry out sample verification of Customer Acquisition Form (CAF) of 0.1 % of all the customers available in the system at the end of each month. The sample size in respect of J&K, NE and Assam Service Areas is 0.2% on quarterly basis. In case a CAF is found non-compliant, penalty is imposed for each failed CAF ranging from Rs. 1,000/- to Rs. 50,000/- per CAF based on the CAF failure rate. The non-compliance report is also shared with TSPs for corrective actions.

This process of CAF verification is carried out by TERM Cells on monthly basis since April, 2007. As on 30.09.2016, out of total of 7.84 crores CAFs audited, a total of 43.20 lakhs CAFs were found non-compliant by TERM Cells during such CAF verification process and a total financial penalty of Rs 2335.90 crores have been imposed on erring TSPs for violation of CAF verification norms. The Licensed Service Area (LSA) wise details of number of CAFs audited and found non-compliant are enclosed at Annexure-I.

The 100% verification is mandated to be done by the TSPs and TERM Cell carry out physical sample verification of prescribed sample size of all the customers available in the system at the end of each month which is good enough size to represent the whole population. As verification of mobile customer is carried out by TSPs as and when customer is acquired and the TERM Cells carry out the verification of prescribed sample size every month; thus customer verification for mobile connection is a continuous process.

Annexure-I  
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Sr. No. License Service Area Total number of CAFs audited by TERM Cells (as on 30.09.2016) Total number of Non Compliant CAFs found by TERM Cells (as on 30.09.2016 )

|    |                  |           |          |
|----|------------------|-----------|----------|
| 1  | Andhra Pradesh   | 55,04,029 | 3,51,527 |
| 2  | Assam            | 11,42,027 | 63,691   |
| 3  | Bihar            | 53,87,646 | 1,71,412 |
| 4  | Delhi            | 31,91,195 | 1,47,503 |
| 5  | Gujarat          | 39,16,414 | 2,06,441 |
| 6  | Haryana          | 19,52,307 | 80,967   |
| 7  | Himachal Pradesh | 7,59,832  | 34,492   |
| 8  | Jammu & Kashmir  | 4,20,851  | 51,957   |
| 9  | Karnataka        | 47,62,436 | 4,08,964 |
| 10 | Kerala           | 28,89,755 | 1,49,697 |
| 11 | Kolkata          | 21,56,817 | 86,298   |
| 12 | Madhya Pradesh   | 46,68,366 | 2,25,824 |
| 13 | Maharashtra      | 64,37,591 | 4,26,568 |
| 14 | Mumbai           | 30,11,003 | 1,43,057 |
| 15 | North East       | 5,35,833  | 26,830   |
| 16 | Odisha           | 23,33,599 | 1,14,426 |
| 17 | Punjab           | 27,05,410 | 2,75,709 |

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18 Rajasthan 45,10,668 3,32,717
19 Tamil Nadu 76,05,357 2,99,889
20 UP East 62,23,054 3,34,607
21 UP West 43,46,325 2,13,957
22 West Bengal 39,85,851 1,74,318
Grand Total 7,84,46,366 43,20,851
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